



***Miami-Dade County Board of County Commissioners***

***Office of the Commission Auditor***

**Legislative Analysis**

**Community Empowerment and Economic  
Revitalization Committee**

Tuesday, April 12, 2005  
2:00 PM  
Commission Chamber

Charles Anderson, CPA  
Commission Auditor

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**Miami-Dade County Board of County Commissioners  
Office of the Commission Auditor**

**Legislative Analysis**

**Community Empowerment & Economic Revitalization Committee  
Meeting Agenda  
April 12, 2005**

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

**Item Number(s)**

3(A)	4(A)
4(B), 4(C), 4(D)	4(F)

If you require further analysis of these or any other agenda items, please contact Gary Collins, Acting Chief Legislative Analyst, at (305) 375-1826.

Acknowledgements--Analyses prepared by:  
Bia Marsellos, Legislative Analyst  
Jason Smith, Legislative Analyst

April 12, 2005

**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

*ORDINANCE AMENDING SECTIONS 2-1254 AND 2-1258 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA RELATING TO MIAMI-DADE COUNTY'S TARGETED JOB INCENTIVE FUND PROGRAM (TJIF) ADDING ELIGIBLE INDUSTRY , MODIFYING TJIF PROGRAM PARAMETERS AND ADDING ADDITIONAL BONUS INCENTIVES.*

Commissioner Katy Sorenson

**I. SUMMARY**

The Targeted Jobs Incentive Program (TJIF) was initially formed in July 2000 and revised in Dec. 2002. The current set of proposed amendments increase the per-job incentive; provide up to \$3,000 in new bonuses; and allow the Board of County Commissioners to increase the total award a company can receive in any fiscal year.

- Adds a new industry: **Solar Thermal and Photovoltaic Manufacturing Installation and Repair.**

**II. PRESENT SITUATION**

The TJIF is an initiative by The Beacon Council and Miami-Dade County patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards.

Currently the TJIF is available to 32 industries including research and development, rubber and plasters; electronic and other electronic equipment; and miscellaneous manufacturing.

**III. POLICY CHANGE AND IMPLICATION**

<u>Original</u> TJIF Incentives	<u>Proposed Changes</u> TJIF Incentives
\$6,000 per New Job	\$9,000 per New Job
	Up to \$1,500 bonus for operating of a building that qualifies as "green construction"
	Up to \$1,500 bonus if the company provides Solar Thermal and Photovoltaic Manufacturing, Installation and Repair
Outside the Designated Priority Area: no more than \$1.5 million in awards in any single fiscal year; \$5 million overall	Award amount may be higher as determined by Board of County Commissioners
Inside the Designated Priority Area: No more than \$2.5 million in awards in any single fiscal year; \$7.5 million overall	

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**IV. ECONOMIC IMPACT**

The cash incentives provided to qualifying companies will not exceed the amount a company pays in ad valorem taxes. There will be a positive fiscal impact to the County.

**V. COMMENTS AND QUESTIONS**

None.

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## LEGISLATIVE ANALYSIS

*ITEM 4 (A) RESOLUTION AUTHORIZING THE ALLOCATION OF \$250,000 FROM SURTAX INCENTIVE POOL FUNDS TO MIAMI SUPPORTIVE HOUSING CORPORATION (MSHC), INC. FOR THE CHRISTIAN HOSPITAL HOMELESS FACILITY; AND AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE ANY NECESSARY AGREEMENTS.*

Miami-Dade Housing Agency

### I. SUMMARY

This resolution allocates \$250,000 in Surtax Incentive Pool funds to Miami Supportive Housing Corporation, Inc. (MSHC) for the Christian Hospital Homeless Facility. This allocation was recommended by the Miami-Dade Housing Agency (MDHA) and approved by the Affordable Housing Advisory Board (AHAB) at its January 26, 2005 meeting. This development located at 4700 N.W. 32<sup>nd</sup> Avenue, was issued a Certificate for Occupancy on November 30, 2004.

### II. PRESENT SITUATION

This development houses formerly homeless individuals who will contribute 30% of their income towards the rent while a rental subsidy will cover the rest. There are 74 efficiency style housing units, each with their own kitchenette and bathroom.

- 74 Efficiency units
- Each unit is 184 square feet
- Gross Rent: \$424.00

### III. POLICY IMPLICATIONS

None.

### IV. ECONOMIC IMPACT

- \$3,503,473                      Previous Projected Cost
- \$3,753,473                      Revised Projected Cost
  
- \$250,000                        Financing Gap

### V. COMMENTS AND QUESTIONS

According to staff, this project was initially approved for 2002 funds in late 2001, however, the \$250,000 financing gap occurred when the building code changed in March 2002 and the developer had to revise the project to meet the new code. MSHC is a non-profit developer and does not have the money to pay for the outstanding bills in order to receive the proper releases from the contractor.

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**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

*RESOLUTION APPROVING QUALIFIED TARGET INDUSTRY TAX REFUND FOR CONFIDENTIAL PROJECT NO. 05-00213; RESOLUTION APPROVING QUALIFIED TARGET INDUSTRY TAX REFUND FOR CONFIDENTIAL PROJECT NO. 05-00123; RESOLUTION APPROVING QUALIFIED TARGET INDUSTRY TAX REFUND FOR AVBORNE ACCESSORY GROUP, INC.*

Office of Community and Economic Development

**I. SUMMARY**

The Office of Community and Economic Development recommends that the Board of County Commissioners approve referenced Qualified Target Industry (QTI) tax refund applications and agreements.

**II. PRESENT SITUATION**

The Qualified Target Industry (QTI) tax refund program is pursuant to Florida Statutes Section 288.106. The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing a tax refund.

**III. POLICY CHANGE AND IMPLICATION**

None.

**IV. ECONOMIC IMPACT**

Item	Project Name	New Jobs	New Capital Investment	QTI Refund			Miami-Dade New Incremental Tax Revenue Generated	County QTI Match	Net Revenue Benefit to Miami-Dade (per Beacon)	Total ROI (per Beacon)
				Total	State 80%	County 20%				
4B	Confidential 05-00213	500	\$5,000,000	\$1,425,000	\$1,140,000	\$285,000	\$315,855	\$285,000	\$30,855	1.11
4C	Confidential 05-00123	60	\$68,000,000	\$240,000	\$192,000	\$48,000	\$2,461,733	\$48,000	\$2,413,733	51.29
4D	Avborne Accessory Group, Inc.	70	\$1,213,225	\$210,000	\$168,000	\$42,000	\$55,257	\$42,000	\$13,257	1.32

ROI – Return on Incentive Investment equals Miami-Dade New Tax Revenue Generated divided by the County's match.

The funding for the Miami-Dade County portion of the QTI shall come from the County's General Fund.

**V. COMMENTS AND QUESTIONS**

None.

## LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

### TARGETED JOBS INCENTIVE FUND PROGRAM PARTICIPATION FOR CONFIDENTIAL PROJECT NO. 05-00095.

Office of Community and Economic Development

#### I. SUMMARY

The Office of Community and Economic Development recommends that the Board of County Commissioners approve the referenced attached Targeted Job Incentive Fund (TJIF) application and agreements.

#### II. PRESENT SITUATION

The TJIF is an initiative by The Beacon Council and Miami-Dade County patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards.

#### III. POLICY CHANGE AND IMPLICATION

None.

#### IV. ECONOMIC IMPACT

<u>Project Name</u>	<u>New Jobs</u>	<u>Capital Investment</u>	<u>Estimated Incremental County Tax Revenue</u>	<u>Maximum Incentive Award</u>
Confidential Project No. 05-00095	290	\$56 Million	\$ 50,737	\$ 39,000

#### V. COMMENTS AND QUESTIONS

The location of this project, NW 215<sup>th</sup> Street & NW 47<sup>th</sup> Avenue, is currently a Brownfield site.